

REPAIRABLE ITEM MANAGEMENT (RIM) PROCEDURE

This procedure describes the Repairable Item Management (RIM) process which provides facilities for the administration of catalogued items (Rotational Spares) and non-catalogued items sent for repair by either internal or external suppliers. The refurbishment of repairable catalogued inventory stocks of Rotational Spares and non-catalogued items is carried out in a consistent, effective and auditable manner. The process utilises MMIS standard pricing function. It covers the cycle, from when the item is requisitioned to when the used component's refurbishment is complete and the order receipted. The major steps in the process are identified however the purchasing processes to be followed are not covered in this procedure. The purchase of inventory is detailed in Generation Maintenance Logistics Services Procedure GMLSP\04-001 for Procurement of Materials and Services.

Authorising personnel sign controlled copies of this document in blue ink.

Approved: F Sibenaler 04/04/2002
Manager Generation Maintenance

REVISION SUMMARY

Rev	Description	Revised		Approved	
		Signed	Date	Signed	Date
0	Original	R Bates	04/04/02	F Sibenaler	04/04/02
1	Revised Page 11 – Item 4 Update References Page 4	R Bates	28/10/03	F Sibenaler	28/10/03

CONTENTS	PAGE
1. PURPOSE.....	4
2. SCOPE.....	4
3. REFERENCES	4
4. DEFINITION	5
5. RESPONSIBILITIES.....	7
6. PROCEDURE.....	8
6.1 OVERVIEW.....	8
6.2 FLOW CHART AND PROCEDURAL STEPS.....	10
6.2.1 FLOWCHART - PROCESS MAP FOR REPAIRABLE ITEM MANAGEMENT (RIM)	10
6.2.2 PROCEDURAL STEPS – PROCESSING REPAIRABLE ITEM/S.....	11

1. PURPOSE

To provide a consistent, effective and auditable process for repairing catalogued items (inventory stocks of Rotational Spares) and non-catalogued items.

To ensure correct appropriation of associated costs.

To prevent overstocking, which can arise if a new replacement component is procured whilst the used component is undergoing repair.

2. SCOPE

This procedure covers the entire cycle, from when the item is requisitioned to when the used component refurbishment is complete and the order receipted. The major steps in the process are identified. The purchasing processes to be followed are not covered in detail as these are described in Generation Maintenance Logistics Services Procedure GMLSP\04-001 for Procurement of Materials and Services.

3. REFERENCES

	Western Power Corporation Accounting Manual Vol 3
DMS# 1165062	Western Power Corporation Financial Policy and Guidelines N° 7
	Western Power Delegated Financial Authority Policies and Procedures Guide
	http://powernet/org/f_a/cip/procedure/index.html
	Repairable Item Management User Reference. MIMS Open Enterprise 4.3.1 3390.002 09-Mar-99
DMS# 1067598	VISIO 5 Flowchart Process Map for Repairable Item Management (RIM)
DMS# 1103073	GBU Inventory Management Accounting Policies and Procedures
GMLSP\04-000	Logistic and Materials Maintenance Principles
GMLSP\04-001	Procurement of Materials and Services Procedure
GMLSP\04-002	Inventory Management Procedure
GMLSP\04-003	Contract Management Procedure
GMLSP\04-004	Warehouse, Transport and Distribution Procedure

4. DEFINITION

AUSLANG:	Australian Supply Language. It is a standard discipline for cataloguing and is a commercial derivative of the NATO cataloguing system.
GBU	Generation Business Unit
Contractor:	Provides services and materials for Western Power as per the order placed in MIMS, Scope of Work and/or Specification.
Rotational Spare:	An item, component or device which is: A catalogued item having an allocated stock code Western Power's MIMS system; and Suitable for refurbishment after use and identified as a Rotational Spare.
Obsolete Inventory, Capital Spare & Rotational Capital Spare:	Material's defined as Generation Maintenance Inventory and stored at a Warehouse for maintenance purposes. The inventory classification is determined by "GBU Inventory Management Accounting Policy & Procedure " document to identify the accounting treatment and to assist in Warehouse Management of Inventory Items.
Repair Manager:	MIMS nomenclature: The person nominated on the District/Inventory record (panel MSO170). Responsible for carrying out RIM activities typically included in a Technical Officer's function.
Role & Responsibility:	Person delegated to perform one or more function/s to complete RIM in the most efficient and cost effective process for Generation Maintenance.
DFA:	Delegated Financial Authority. (Financial authority delegated to Western Power officers to enable them to commit Western Power to expenditure in amounts appropriate to the activities for which they are responsible). Note: If a person's DFA is not adequate, MIMS will seek the appropriate person in the structure to authorise the requirements. MIMS will set an authorisation flag for the person plus send a cc-mail message to advise the person that the authorisation is required.
EPPS:	Warehouse code for Generation Maintenance Technical Services Store located at Jandakot. The code EPPS is a legacy from when the East Perth Power Station store was utilised.
KWPS:	Warehouse code for Kwinana Power Station.
MUPS:	Warehouse code for Muja Power Station.
LAN:	Computer Local Area Network.
NSA:	New Stock Application.
SCAS:	Supply Critically Assessment System. A PC program to assist with assessing applications for new stock items.
Supplier:	A person or organisation that provides inputs, materials or services to a process or activity.

CONTROLLED

Vendor: Potential supplier and one who may or may not be invited to tender or quote.

WPGT: Warehouse code for Western Power Gas Turbine.

5. RESPONSIBILITIES

Manager Generation Maintenance:	Ensuring that, correct and proper procedures are in place to manage catalogued items (Rotational Spares) and non-catalogued items within the Repairable Item Management (RIM) process.
Maintenance Superintendent:	Ensuring correct procedures are followed. Provide technical support as required. Providing feedback and input to continually improve the processes. Deciding whether to repair, replace with new or return the used item to service (depending on value, failure consequence and technical complexity). Selecting repair vendor (depending on value, failure consequence and technical complexity).
Process Engineer:	Following correct procedures. Provide technical support as required. Ensuring that required spares are at the job when required. Ensuring that used spares are returned for repair if required. Returning unused spares to stock if not required and instructing the Repair Manager to finalise the respective repair request to reflect the return of the item. Deciding whether to repair, replace with new or return the used item to service (depending on value, failure consequence and technical complexity). Selecting repair vendor (depending on value, failure consequence and technical complexity).
Maintenance Supervisor:	Following correct procedures. Provide technical support as required. Ensuring that required spares are at the job when required. Ensuring that used spares are returned for repair if required. Returning unused spares to stock if not required and instructing the Repair Manager to finalise the respective repair request to reflect the return of the item. Deciding whether to repair, replace with new or return the used item to service (depending on value, failure consequence and technical complexity). Selecting repair vendor (depending on value, failure consequence and technical complexity).
Repair Manager:	Following correct procedures. Consulting with Engineering and Technical support staff as required. Ensuring that required spares are at the job when required. Ensuring that used spares are returned for repair if required. Returning unused spares to stock if not required and finalising the respective repair request to reflect the return of the item. Deciding whether to repair, replace with new or return the used item to service (depending on value, failure consequence and technical complexity). Selecting repair vendor (depending on value, failure consequence and technical complexity).
Technical Officer:	Provide technical support as required.
Purchasing Officer:	Process the Repair Order in accordance with Policy and Procedures. Providing feedback and input to continually improve the processes.
Material Officer:	Processing MIMS related warehouse activities.
Planning Coordinator:	Recognise that item is a Repairable Item (Rotational Spare) and informing the Repair Manager that repair may be required. Following correct inventory and purchasing processes. Informing the Repair Manager if used item/s for replenishment is not returned in a reasonable time. Providing feedback and input to continually improve the processes.

6. PROCEDURE

6.1 OVERVIEW

This procedure describes the Repairable Item Management (RIM) process which provides facilities for the administration of catalogued items (Rotational Spares) and non-catalogued items sent for repair by either internal or external suppliers. The refurbishment of repairable catalogued inventory stocks of Rotational Spares and non-catalogued items is carried out in a consistent, effective and auditable manner. The process utilises MMIS standard pricing function. It covers the cycle, from when the item is requisitioned to when the used component's refurbishment is complete and the order receipted. The major steps in the process are identified however the purchasing processes to be followed are not covered in this procedure. The purchase of inventory is detailed in Generation Maintenance Logistics Services Procedure GMLSP\04-001 for Procurement of Materials and Services.

Flexibility in Generation Maintenance designated roles and responsibilities necessitates that personnel perform similar functions in RIM (Rotational Spares) process cycle regardless of position or title. The same person may in fact perform several functions in the process such as Repair Manager, Technical Officer, Inventory Officer and Purchasing Officer duties. The function that respective personnel perform is in accordance with the responsibilities designated by the Manager Generation Maintenance or his/her nominated representative.

The main functions include:

- Identification of repairable items
- Establishment, maintenance and ongoing monitoring of Repair Agreements
- Generation and processing of Repair Requests
- Automatic matching of Repair Request to Agreements
- Issue and maintenance of Repair Orders
- Automatic generation of Waybills and/or Dispatch Advice's to support transport of items to the supplier
- Receipt and Invoicing of Repairable Items
- Monitoring of items under repair.

Identification of Repairable Items

Catalogued items that are subject to repair are identified via flags on the Catalogue. These flags can be overridden at the District level as part of the Inventory Control information for the Stock Code.

Repair Agreements

Repair Agreements enable the establishment of contracts for the performance of specific repair activities (known as tasks and sub-tasks) in respect of nominated Stock Codes. This functionality is provided via features of the Forward Purchase Agreements (FPA) and includes the ability to call quotes, evaluate quotes received and establish agreements with selected suppliers.

Repair Requests

Repair Requests are the mechanism by which maintenance personnel describe the scope of work they believe is necessary to return the specific item to a useable condition. These tasks may describe the repair requirement in detail or may be simply an instruction to have the supplier inspect and assess the repairs required. Repair Requests are generated automatically when replacement items are requisitioned or issued. They can also be created manually if no replacement is required. A diary/mail message is used to notify that a skeleton repair request has been generated and requires completion. This message is sent to either the employee/position nominated as responsible for this activity on the Repair Request. To finalise a Repair Request and initiate the preparation of a Repair Order, the operator must describe the scope of work using tasks and sub-tasks. Repairs of non-catalogued items are initiated by submitting a Purchase Requisition and denoting that a repair is required via the appropriate field. In this case the person entering the requisition must also describe the scope of work.

Matching

Following the finalisation of the Repair Request the system will automatically attempt to match the requirements described with a Repair Agreement. If a match is achieved, details of the agreement will be included on the Recommended Order Repair, otherwise the Recommended Order will be produced with no Current Supplier. If the item is subject to automatic ordering and a match is achieved the system will produce a Repair Purchase Order which includes the tasks/ sub-tasks described on the Repair Request. Where no match is achieved, or if the item is not subject to automatic ordering, the Repair Manager (as denoted on the District/Inventory record) must finalise the Recommended Order manually. Tasks and sub-tasks can be altered at this point to achieve a match with a repair agreement or to better describe the requirement.

Repair Orders

Repair Orders are similar to normal goods orders in that they register dues in and are subject to invoice matching. These orders however include scope of work information. The creation of a Repair Order initiates special accounting entries to transfer the inventory value of the stock code subject to repair from the cost centre to a control account. Note these are standard cost entries. If commitments are used the cost of repairs will be included. The maintenance of Repair Orders is performed via MSO220 as normal, however this procedure caters for:

- The writing off of tracked items which have been forwarded for repair but are found to be beyond repair and also
- The generation of adds payment to cater for quantities found as being beyond repair but still subject to some payment (e.g., inspection costs).

Automated Dispatch

When a Repair Order is created diary/mail messages are issued advising the responsible person/position that the item can be dispatched. A discrepancy report can be printed to accompany the goods. If the item is flagged as subject to auto waybilling the system will automatically generate a Waybill to manage the transport of the items to the supplier.

Receiving

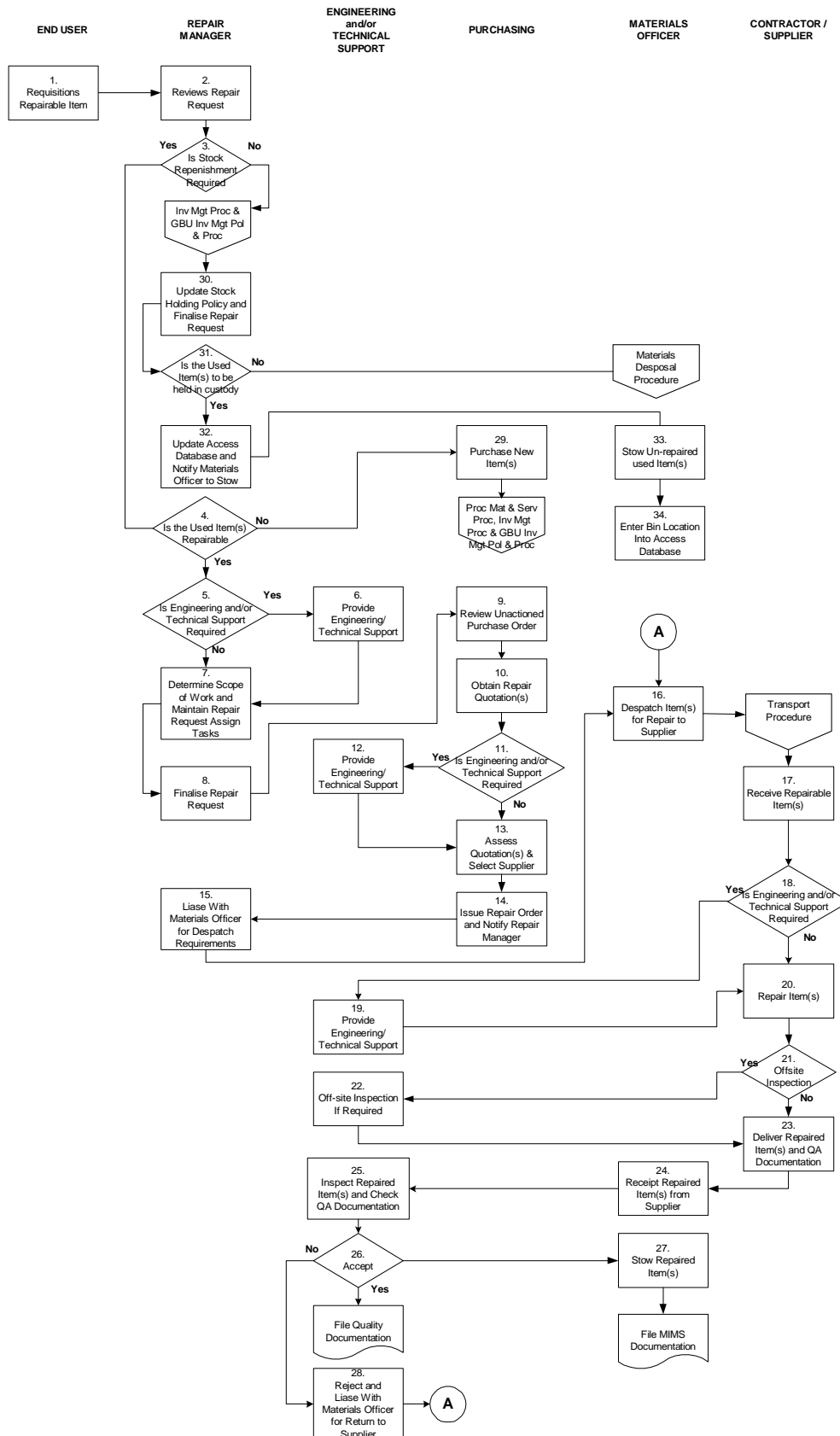
Receipts of Repair Orders are performed in the same manner as any goods order. Receipts of catalogued items increments stock on hand and adjusts dues in. The accounting treatment however varies to the normal as repair costs are attributed back to the consuming cost centre.

Invoicing

Repair Orders are entered and matched in the same way as normal goods Orders

6.2 FLOW CHART AND PROCEDURAL STEPS

6.2.1 FLOWCHART - PROCESS MAP FOR REPAIRABLE ITEM MANAGEMENT (RIM)



6.2.2 PROCEDURAL STEPS – PROCESSING REPAIRABLE ITEM/S

STEP	ACTIVITY	RESPONSIBILITY
1	Requisition Repairable Item: The Repairable Item is requisitioned through MIMS panel MSQ140. If the Item is later found to be not required it can be returned on a Credit Requisition and the Repair Manager notified to finalise the Repair Request as complete not required.	End User
2	Review MIMS system. generated Repair Request.	Repair Manager
3	Determine if Stock Replenishment is required. If replenishment is not required, review the Item based on the Inventory Management Procedure and GBU Inventory Management Accounting Policy & Procedure.	Repair Manager
4	Determine if the Used Item/s is repairable: <ul style="list-style-type: none"> • If the Item cannot be repaired a new purchase maybe required. The Repair Request is finalised and closed off, the used item is disposed of in the normal disposal process. The repair manager will review the stock holding policy and consult with appropriate personnel to determine if a new item will be purchased. • The repair manager must monitor the purchase of a new replacement item that is classed as "Repairable" in MSO170. • The replacement of a new repairable item is NOT to be purchased through the RIM system. The reason for this is that the accounting for the purchase is not consistent with accounting standards. • Purchases of replacement repairable items will occur outside the RIM system. The following work around would be required: <ul style="list-style-type: none"> ➢ Remove the item from the RIM system. ➢ Purchase the new item via the normal purchasing system. ➢ When the item is received in to the stores system, it will automatically change the average price. ➢ Return the item to RIM system. This will go across with the new average price, which then becomes the new standard price. 	Repair Manager
5	Determine if Engineering and/or Technical support is required.	Repair Manager
6	Provide Engineering and/or Technical supports as required.	Maintenance Superintendent Process Engineer Maintenance Supervisor Technical Officer

7	If the decision is to repair the Item the Repair Request is Maintained: <ul style="list-style-type: none"> • A Work Order that the repair will be appropriated to. • Details of the Scope of Work required for the repairs. • Assign tasks. 	Repair Manager
8	Finalise the Repair Request on completion of assigning the Work Order and Scope of Work to create a Recommended Repair Order.	Repair Manager
9	Review Recommended Repair Order in MIMS panel MSO240 (catalogued items) or MSO230 (non-catalogued items) and priorities the processing in accordance to the items critically status.	Purchasing Officer
10	Utilising MIMS quotation system produces Quotation Requests and forwards them to potential suppliers. Note: Further documentation eg. Drawing, Quality Control Procedures (QCP), Method Sheet or technical information needed to be attached and forwarded with the Quotation Request. Liase with Engineering and/or Technical staff as required.	Purchasing Officer
11	Determine if Engineering and/or Technical support is required.	Repair Manager
12	Provide Engineering and/or Technical supports as required.	Maintenance Superintendent Process Engineer Maintenance Supervisor Technical Officer
13	Assess quotation bids from the Suppliers a review against selection criteria is performed. The Supplier that provides the best value conforming bid is selected.	Purchasing Officer Assessment Team
14	Update Recommended Repair Order to a Purchase Order and issued to the successful supplier. Notify the Repair Manager.	Purchasing Officer
15	Liase with the Materials Officer for dispatch to the successful Supplier.	Repair Manager
16	Packaged and dispatched the Item/s for repair is to the successful Supplier in accordance with Warehouse, Transport and Distribution Procedure GMLSP\04-004.	Materials Officer
17	Receive the Item/s for repair and mark with Western Power Order Number and/or other identification as required.	Supplier
18	Determine if Technical support is required.	Repair Manager
19	Provide Technical support as required.	Technical Officer

CONTROLLED

20	Repair the Item/s in accordance with Scope of Work.	Supplier
21	Determine if Off-site inspection is required.	
22	Carry out Off-site inspection of Repaired Items. The Item and QA Documentation is inspected against the Scope of Work and technical requirements. <ul style="list-style-type: none"> • If the Item and QA Documentation is in accordance with Scope of Work then the goods authorised for delivery. • If the Item does not meet Scope of Work or Quality requirements the Item is rejected. The Supplier is advised accordingly. 	Technical Officer
23	Deliver the repaired Item/s and QA Documentation.	Supplier
24	Receive the repaired Item/s into Store and sign the MIMS Receiving Report (printed in MSO150) as being received. Notify the Technical Officer that the Repaired Items have been received.	Materials Officer
25	Carry out inspection of Repaired Items. The Item and QA Documentation is inspected against the Scope of Work and technical requirements.	Technical Officer
26	Accept or Reject the Repaired Item/s as appropriate <ul style="list-style-type: none"> • If the Item and QA Documentation is in accordance with Scope of Work then the goods are accepted. <ul style="list-style-type: none"> ➢ Liase with the Materials Officer and sign the MIMS Receiving Report accordingly. ➢ File all Quality Documentation as appropriate. • If the Item does not meet Scope of Work or Quality requirements the Item is rejected and discrepancy on-line report is performed. <ul style="list-style-type: none"> ➢ The Materials Officer is notified and the Supplier is contacted to make arrangements for return and corrections. It is recorded as a discrepancy in MIMS. 	Technical Officer
27	Stow the Repaired Item in the warehouse ensuring it has the correct labelling and bin location clearly marked. File paperwork Date Order.	Materials Officer
28	Liase with the Materials Officer on arrangements for the return of the rejected Item/s.	Technical Officer
29	Purchase new Item/s in accordance with Procurement of Materials and Services Procedure, Inventory Management Procedure and GBU Inventory Management Accounting Policy & Procedure.	Purchasing Officer
30	If the Item is no longer required for service: <ul style="list-style-type: none"> • Update Stock Holding Policy in MIMS panel MSO170. • The Repair Request is finalised without any action required and closed. 	Repair Manager
31	Determine if the used un-repaired Item/s is to be held in custody:	Repair Manager



CONTROLLED

	<ul style="list-style-type: none">If the Used Item/s is not required notify the Materials Office to dispose of in accordance with the Materials Disposal Procedure.	
32	Update Access Database and notify the Materials Officer to stow the un-repaired Item/s.	Repair Manager
33	Stow the un-repaired Item/s.	Materials Officer
34	Enter the respective Bin Location in the Access Database.	Materials Officer